RECEIVED 2005 OCT 26 A 8: 57 **FICE OF INTERMATICAL CORPORATE PHANCE!

Medical Facilities Corporation File Number 82-34942

October 20, 2006

Press Release

042608/00000 TORDOCS 37296v1



SUPPL

PROCESSED

NOV 3 2 2008

STHOMSON

DW 31

News release via Canada NewsWire, Toronto 416-863-9350

Attention Business Editors:
Medical Facilities Corporation announces October distribution

/NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES/

TORONTO, Oct. 20 /CNW/ - Medical Facilities Corporation (TSX:DR.UN) (the "Company") announced today that a cash payment of Cdn\$0.0917 per Income Participating Security will be payable on November 15, 2006 to holders of record of Income Participating Securities at the close of business on October 31, 2006.

Each of the Company's Income Participating Securities is comprised of one common share and Cdn\$5.90 aggregate principal amount of 12.5% subordinated notes. The total payment of Cdn\$0.0917 reflects a cash dividend of Cdn\$0.0302 per common share and an interest payment of Cdn\$0.0615 per Cdn\$5.90 aggregate principal amount of 12.5% subordinated notes each for the month of October. The ex-dividend date for this distribution will be October 27, 2006.

About MFC

Medical Facilities Corporation owns controlling interests in four surgical hospitals, three located in South Dakota and one in Oklahoma. The four hospitals perform scheduled surgical, imaging and diagnostic procedures and derive their revenue from the fees charged for the use of their facilities. The Corporation is structured so that a majority of its free cash flows from operations are distributed to holders of its IPS with a portion of such distributions being interest payments on the subordinated debt component. For more information, please visit www.medicalfacilitiescorp.ca

Caution concerning forward-looking statements

This news release may be interpreted to contain forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors outside of management's control that could cause actual results to differ materially from those described in the forward-looking statements. The Corporation does not assume responsibility for the accuracy and completeness of those forward-looking statements and does not undertake the obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

%SEDAR: 00020386E

/For further information: Michael Salter, Chief Financial Officer, Medical Facilities Corp., (416) 848-7980 or 1-877-402-7162; Bruce Wigle, Investor Relations, The Equicom Group Inc., (416) 815-0700 ext. 228 or 1-800-385-5451 ext.228, Email: bwigle(at)equicomgroup.com/
(DR.UN.)

CO: Medical Facilities Corporation

CNW 14:19e 20-OCT-06